

JENNIFER M. GRANHOLM GOVERNOR

STATE OF MICHIGAN MICHIGAN BROADBAND DEVELOPMENT AUTHORITY

DEPARTMENT OF LABOR & ECONOMIC GROWTH DAVID C. HOLLISTER, DIRECTOR

JAMES W. BUTLER, III VICE PRESIDENT

December 22, 2004

The Honorable Marc Shulman State Representative State Capitol P.O. Box 30014 Lansing, Michigan 48909-7514

The Honorable Valde Garcia State Senator State Capitol P.O. Box 30036 Lansing, Michigan 48909-7536

Dear Representative Shulman and Senator Garcia:

Per Public Act 354 of 2004, Sec. 364, enclosed please find the required report indicating the administrative costs allocated for the Michigan Broadband Development Authority. The costs include all staffing and other related costs associated with contracts. The report also includes all reimbursements to the Michigan State Housing Development Authority through December 31, 2004.

If you have any questions, please contact either one of us.

Sincerely,

James Butler, III Vice President, MBDA

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Allan Pohl, Director

DLEG, Finance and Administrative Services

MICHIGAN BROADBAND DEVELOPMENT AUTHORITY

Report Of Administrative Costs - Cash Basis Per Public Act 354 0f 2004, Sec 364

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Vice President Chief Operating Officer Marketing Director Total dule 3: //MENTS TO MICHIGAN STATE HOUSING II Interest Feb-03 200,000 Feb-04 300,000 Sub-Total Rent/Other Costs Rent 118,900 Copier 3,220 Misc 275 Sub-Total	DEVELOPMENT AUTHO 500,000	150,000 110,000 415,000 RITY (MSHDA):	(2)
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NTRACTUAL EMPLOYEE COMPENSATION Vice President Chief Operating Officer	•	150,000	
ITRACTUAL EMPLOYEE COMPENSATION Vice President	••		
ITRACTUAL EMPLOYEE COMPENSATION	•		
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dula 2.			
Gross Appropriation - Per Public Act 35	4 of 2004	1,296,600	
Administration		357,900	
Civil Service Compensation		938,700	(1)
Intern		30,000	
Accountant		54,000	
Executive Asst 11		61,900	
Executive Asst 13		71,100	
Director of Community		92,300	
Director of Projects		108,500	
Director of Acounting		108,500	
Director of Marketing		134,500	
Director of Finance		134,500	
Director of Legal		143,400	
Civil Service Employees			
BLIC ACT 354 OF 2004, Sec.107			
dule 1:			
Total Operating Expenses	3,575,852	3,483,657	
Administrative and general	225,898	369,857	
Interest on bonds	300,000	120,000	
Contractual services	1,806,754	1,640,100	\ - /
Contractual employee compensation	456,836	415,000	(2)
Employee benefits	324,242	235,600	(1)
Salaries and wages	462,122	703,100	(1)
ERATING EXPENSES:			
	FYE 09/04	FYE 09/05	
		Budgeted	
	Actual		



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	Actual <u>FYE 09/04</u>	Budgeted FYE 09/05	
OPERATING EXPENSES:	· ·		
Salaries and wages	462,122	703,100	(1)
Employee benefits	324,242	235,600	· (1)
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Total Operating Expenses	3,575,852	3,483,657	
Schedule 1:			
PUBLIC ACT 354 OF 2004, Sec.107			
Civil Service Employees			
Director of Legal		143,400	
Director of Finance		134,500	
Director of Marketing		134,500	
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Executive Asst 11		61,900	
Accountant		54,000	
Intern		30,000	
Civil Service Compensation		938,700	(1)
Administration		357,900	(1)
Gross Appropriation - Per Public A	ct 354 of 2004	1,296,600	
Schedule 2: CONTRACTUAL EMPLOYEE COMPENSA	ATION:		
Vice President	····on·	.=	
Chief Operating Officer		155,000	
Marketing Director		150,000	
Total		110,000	
Total		415,000	(2)
Schedule 3:			
PAYMENTS TO MICHIGAN STATE HOUS	ING DEVELOPMENT AUTHOR	RITY (MSHDA):	
Interest			
	0,000		
Feb-04 300	0,000		
Sub-Total	500,000		
Rent/Other Costs			
Rent 118	3,900		
	3,220		
Misc	275		
Sub- Total	122,395		
Total Payments to MSHDA	122,000	622,395	Through 40/04/04
		022,333	Through 12/31/04